

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Pakistan

Grain and Feed Update

Wheat and Rice Assessment After Flooding

Approved By:

David Williams

Prepared By:

Asmat Raza

Report Highlights:

Recent field travel suggests that floods damaged about 80,000 hectares (3 percent) of Pakistan's rice area and reduced production by 200,000 metric tons. Flood waters receded relatively quickly in Punjab and flooding was not as severe as anticipated in Sindh. Exports are forecast marginally lower for 2014/15. An estimated 500,000 metric tons of on-farm wheat stocks were damaged by late monsoon rains and flooding, resulting in an expected increase in the use of wheat for animal feed. Recent rains and floods bode well for the planting of the 2014/15 wheat crop.

Pakistan 2014 Wheat Planting Outlook Looks Promising

The key agricultural provinces of Punjab and Sindh have been affected by flooding over the past few weeks, but the outlook for 2014 wheat planting remains promising. The floods are likely to recede over the next week, just in time for farmers to prepare for wheat planting. Planting in Sindh typically starts in the middle of October and the bulk of planting in Punjab is done after the second week of November. Floods have improved the water availability situation for Rabi (winter) crops and both the major water reservoirs at Mangla and Tarbela are filled to capacity. Floods also deposit a rich layer of soil in affected areas thus helping in maintaining yields for the next Rabi season.

Half a Million Tons of Farmers' Wheat Affected by Floods

Marketing year 2014/15 wheat production is estimated at 25.0 million metric tons (MMT) reflecting the general consensus within the industry. An estimated 500,000 MT of 2014/15 wheat stored on farm was adversely affected by late monsoon rains and floods. Most of this wheat will not be fit for human consumption and is expected to be used as feed, resulting in a higher feed consumption estimate.

Wheat Import Estimate Raised

Pakistan's 2014/15 wheat imports are estimated at 600,000 MT, up 300,000 MT from the previous FAS Islamabad forecast, but significantly lower than the USDA Washington estimate. The higher imports reflect the expectation from traders in Karachi (Pakistan's largest city with a population of 24 million) that imports to meet the needs of the flour milling industry in southern Pakistan will increase from the lower levels previously forecast by FAS Islamabad. The imported wheat will cater to consumers in Karachi and also for the industry to manufacture specialized products like pasta and noodles. According to trade sources Pakistan has already imported around 200,000 MT of wheat during the current marketing year. The wheat is mainly being sourced from Black Sea ports at an average price of \$280/ton (C&F Karachi) according to local trade sources. The wheat export estimate is unchanged at 700,000 MT, with the major portion of it, 600,000 MT, going to Afghanistan in the form of wheat flour (the export estimate is grain equivalent).

Production, Supply and Demand Data Statistics:

Wheat Pakistan	2012/2013		2013/2014		2014/2015	
	Market Year Begin: May 2012		Market Year Begin: May 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	8,660	8,660	8,640	8,640	8,830	8,830
Beginning Stocks	4,020	4,020	2,622	2,670	2,060	2,270
Production	23,300	23,300	24,000	24,000	24,500	25,000
MY Imports	52	50	388	400	1,500	600
TY Imports	20	20	388	400	1,500	600
TY Imp. from U.S.	19	20	28	28	0	0
Total Supply	27,372	27,370	27,010	27,070	28,060	27,870
MY Exports	850	800	750	700	700	700
TY Exports	850	800	750	700	700	700
Feed and Residual	600	600	600	600	700	1,200
FSI Consumption	23,300	23,300	23,600	23,500	24,000	23,900
Total Consumption	23,900	23,900	24,200	24,100	24,700	25,100
Ending Stocks	2,622	2,670	2,060	2,270	2,660	2,070
Total Distribution	27,372	27,370	27,010	27,070	28,060	27,870

1000 HA, 1000 MT, MT/HA

Floods affecting Rice Crop

According to initial reports about 80,000 hectares of rice fields were affected by the recent floods. Flood waters are receding from the rice areas of Punjab but the flood surge is now passing through the province of Sindh, albeit at a lower than expected level. This is the fourth flood since 2010 to hit the rice growing areas of Pakistan. 2014/15 rice production is forecast marginally lower at 6.5 MMT due to the effects of flooding. Initial reports suggest that Basmati growing tract including Sialkot, Narowal and Gujranwala districts were the hardest hit, but flood waters receded quickly minimizing the extent of the damage.

2013/14 and 2014/15 rice export estimates are also lowered to 3.7 MT reflecting the pace of exports and lower production respectively. The increase in the MY13/14 production figure is adjusted slightly upward to 6.7 MT, in accordance with the government data.

Production, Supply and Demand Data Statistics:

Rice, Milled Pakistan	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Nov 2012		Market Year Begin: Nov 2013		Market Year Begin: Nov 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	2,400	2,400	2,760	2,755	2,760	2,800
Beginning Stocks	550	550	500	500	600	900
Milled Production	5,800	5,800	6,600	6,700	6,700	6,500
Rough Production	8,701	8,701	9,901	10,051	10,051	9,751
Milling Rate (.9999)	6,666	6,666	6,666	6,666	6,666	6,666
MY Imports	45	45	30	0	30	0
TY Imports	45	45	30	0	30	0
TY Imp. from U.S.	40	40	0	0	0	0
Total Supply	6,395	6,395	7,130	7,200	7,330	7,400
MY Exports	3,578	3,595	3,900	3,700	3,900	3,700
TY Exports	4,126	4,100	3,900	3,700	3,900	3,700
Consumption and Residual	2,317	2,300	2,630	2,600	2,700	2,800
Ending Stocks	500	500	600	900	730	900
Total Distribution	6,395	6,395	7,130	7,200	7,330	7,400

1000 HA, 1000 MT, MT/HA